



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

October 1, 2014

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To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

On September 30, 2014, Governor Brown completed action on all of the bills remaining on his desk for signature or veto which were approved by the Legislature prior to adjournment of the 2013-14 Legislative Session. The 2015-16 Legislative Session is scheduled to convene on December 1, 2014.

This memorandum contains reports on the following:

- **County-Advocacy Legislation Signed by the Governor**
 - **County-co-sponsored AB 1607 (Fox)** – related to the release of Sexually Violent Predators, was signed by the Governor on September 30, 2014.
 - **County-supported SB 785 (Wolk)** – related to design-build contracts, was signed by the Governor on September 30, 2014.
- **County-Advocacy Legislation Vetoed by the Governor**
 - **County-supported SB 1138 (Padilla)** – related to the labelling of fish products, was vetoed by the Governor on September 30, 2014.
- A report on an informational hearing on Proposition 46, the Troy and Alana Pack Patient Safety Act was held in Sacramento on September 29, 2014.

"To Enrich Lives Through Effective And Caring Service"

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County-Sponsored Legislation Signed by the Governor

County-co-sponsored AB 1607 (Fox), which as amended on August 22, 2014, clarifies the process by which the county of domicile is determined for a Sexually Violent Predator being considered for conditional release from State prison, to require the county, or counties of potential domicile, to be given notice of the domicile hearing and an opportunity to submit declarations and present documentary evidence regarding issues of domicile placement, was signed by the Governor on September 30, 2014. This measure is Chapter 877, Statutes of 2014, and becomes effective January 1, 2015.

County-Advocacy Legislation Signed by the Governor

County-supported SB 785 (Wolk), which as amended on August 22, 2014: 1) enacts uniform provisions authorizing local agencies to utilize the design-build contract procurement process; 2) lowers the project cost threshold to \$1.0 million; 3) adds minimum factors to the criteria used to evaluate design-build; 4) provides new standards and guidelines for a skilled and trained workforce for design-build projects; and 5) establishes a sunset date for these provisions on January 1, 2025, was signed by the Governor on September 30, 2014. This measure is Chapter 931, Statutes of 2014, and becomes effective January 1, 2015.

County-Advocacy Measure Vetoed by the Governor

County-supported SB 1138 (Padilla), which as amended on August 28, 2014, would: 1) provide that it is unlawful to sell or offer for sale any fresh, frozen, or processed fish or shellfish intended for human consumption, wild caught or farm raised, without clearly identifying specified information, including the species of fish or shellfish by its common name, as specified; 2) prohibit any person who sells or offers for sale any fish or shellfish and acts in reasonable reliance on the fish or shellfish package labeling and product invoice to satisfy the above-described requirements from being found in violation of those requirements; and 3) specify that these provisions do not apply to a restaurant, was vetoed by the Governor on September 30, 2014.

In his veto message, the Governor noted the bill's requirements to use the U.S. Food and Drug Administration's published common name in all fish and shellfish labels, unless the State promulgates a different common name, would create uncertainties and complexities that may not be easily resolved.

Informational Hearing on Proposition 46, the Troy and Alana Pack Patient Safety Act

On September 29, 2014, the joint Assembly and Senate Committees on Health, Judiciary, and Business and Professions held an informational hearing on Proposition 46, which is on the November 4, 2014, Statewide General Election ballot. The hearing was held pursuant

to State law which requires the Legislature to conduct public hearings on ballot initiatives. No legislative recommendations or positions on the measures are made as a result of these hearings.

As previously reported, if approved by the voters, Proposition 46 would increase the current \$250,000 cap on non-economic damages due to medical malpractice established in the Medical Injury Compensation Reform Act (MICRA) of 1975. The cap would increase to \$1.1 million effective January 1, 2015 based on the rate of inflation since 1975, and would be adjusted annually thereafter to reflect any increase in inflation as measured by the Consumer Price Index. The measure also would require drug and alcohol testing for physicians; and require physicians to consult the Controlled Substance Utilization Review and Evaluation System (CURES) database before prescribing certain controlled substances.

Testimony for the proponents was provided by Bob Pack, the author of Proposition 46 and other patient safety advocates. A representative from the California State Association of Counties (CSAC) was among those who testified in opposition to the measure. Proponents argued that Proposition 46 is necessary for patient safety. The opponents noted that the current \$250,000 cap for non-economic damages has been in place for nearly 40 years and is worth about \$56,000 in 2014 dollars. CSAC testified in opposition noting that because counties are providers of health care services and, that if passed, Proposition 46 would increase county costs, especially for counties that self-insure since the monetary damages would be paid from counties' general funds. CSAC also testified that the increased costs could compromise services provided for the safety net population.

Assembly Member Sebastian Ridley-Thomas and Senator Joel Anderson expressed concerns that passage of Proposition 46 would reduce access to health care because there could be fewer physicians, which is especially problematic for the newly insured under the Affordable Care Act and for those who reside in underserved and rural parts of California.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:lm

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
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